

## **Assembly Bill No. 1386**

### **CHAPTER 443**

An act to amend Section 8283 of the Public Utilities Code, relating to women, minority, and disabled veteran business enterprise procurement.

[Approved by Governor October 3, 2011. Filed with  
Secretary of State October 3, 2011.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 1386, Bradford. Women, minority, and disabled veteran business enterprise procurement.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical, gas, water, and telephone corporations. Existing law authorizes the commission to establish rules for all public utilities, subject to control by the Legislature.

Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. The commission, by its rulemaking authority, has adopted General Order 156, applicable to certain electrical, gas, and telephone corporations, to effectuate these requirements. Existing law includes the declaration by the Legislature that each electrical, gas, water, wireless telecommunications service provider, and telephone corporation that is not required to submit a plan is encouraged to voluntarily adopt a plan for increasing women, minority, and disabled veteran business enterprise procurement in all categories.

This bill would additionally declare that the Legislature encourages each cable television corporation and direct broadcast satellite provider to voluntarily adopt a plan for increasing women, minority, and disabled veteran business enterprise procurement and to voluntarily report activity in this area to the Legislature on an annual basis.

Existing law requires the commission to provide to the Legislature a specified report on the progress of activities undertaken by certain entities in the implementation of women, minority, and disabled business enterprise development programs.

This bill would require the commission to make this report available on its Internet Web site.

*The people of the State of California do enact as follows:*

SECTION 1. Section 8283 of the Public Utilities Code is amended to read:

8283. (a) The commission shall require each electrical, gas, water, wireless telecommunications service provider, and telephone corporation with gross annual revenues exceeding twenty-five million dollars (\$25,000,000) and their commission-regulated subsidiaries and affiliates, to submit annually, a detailed and verifiable plan for increasing procurement from women, minority, and disabled veteran business enterprises in all categories, including, but not limited to, renewable energy, wireless telecommunications, broadband, smart grid, and rail projects.

(b) These annual plans shall include short- and long-term goals and timetables, but not quotas, and shall include methods for encouraging both prime contractors and grantees to engage women, minority, and disabled veteran business enterprises in subcontracts in all categories that provide subcontracting opportunities, including, but not limited to, renewable energy, wireless telecommunications, broadband, smart grid, and rail projects.

(c) The commission shall establish guidelines for all electrical, gas, water, wireless telecommunications service provider, and telephone corporations with gross annual revenues exceeding twenty-five million dollars (\$25,000,000) and their commission-regulated subsidiaries and affiliates, to be utilized in establishing programs pursuant to this article.

(d) Every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with gross annual revenues exceeding twenty-five million dollars (\$25,000,000) shall furnish an annual report to the commission regarding the implementation of programs established pursuant to this article in a form that the commission shall require, and at the time that the commission shall annually designate.

(e) (1) The commission shall provide a report to the Legislature on September 1 of each year, on the progress of activities undertaken by each electrical, gas, water, wireless telecommunications service provider, and telephone corporation with gross annual revenues exceeding twenty-five million dollars (\$25,000,000) pursuant to this article in the implementation of women, minority, and disabled veterans business enterprise development programs. The report shall include information about which procurements are made with women, minority, and disabled veteran business enterprises with at least a majority of the enterprise's workforce in California, to the extent that information is readily accessible. The commission shall recommend a program for carrying out the policy declared in this article, together with recommendations for legislation that it deems necessary or desirable to further that policy. The commission shall make the report available on its Internet Web site.

(2) In regard to disabled veteran business enterprises, the commission shall ensure that the programs and legislation recommended pursuant to paragraph (1) are consistent with the disabled veteran business enterprise certification eligibility requirements imposed by the Department of General

Services and that the recommendations include only those disabled veteran business enterprises certified by the Department of General Services.

(f) (1) The Legislature declares that each electrical, gas, water, mobile telephony service provider, and telephone corporation that is not required to submit a plan pursuant to subdivision (a) is encouraged to voluntarily adopt a plan for increasing women, minority, and disabled veteran business enterprise procurement in all categories.

(2) The Legislature declares that each cable television corporation and direct broadcast satellite provider is encouraged to voluntarily adopt a plan for increasing women, minority, and disabled veteran business enterprise procurement and to voluntarily report activity in this area to the Legislature on an annual basis.